

# CALIFORNIA EMPLOYER

2nd Quarter 2011

## Expanded E-Services For Business-Now Available

The Employment Development Department (EDD) is proud to announce our expanded e-Services for Business options available to all employers and agents. This online service will allow you to perform a variety of functions including, but not limited to:

- View account balances.
- Get payment history that includes payment amounts, dates received, and filing periods payments were applied to.
- View and print returns electronically submitted after January 2011.
- View the financial summary for each tax period including the period's tax, penalty, interest, credit, and balance.
- File and amend returns.
- View current rates, including the Unemployment Insurance (UI) rate, Employment Training Tax (ETT) rate, and

rate history.

- View account profile information (e-mail address, telephone number, saved payment sources) with the ability to change the location and mailing addresses.
- Make Automated Credit House (ACH) debit or credit card payments for tax deposits and outstanding liabilities.
- View correspondence sent by EDD such as account statements.
- Grant or deny third party access to account.

In order to access the expanded e-Services for Business, you first need to enroll. Visit <https://eddservices.edd.ca.gov> to begin the enrollment process.

In order to use e-Services for Business, Microsoft Silverlight 4 or higher must be installed on your computer.

Starting with the first quarter of 2011, EDD changed from annual reconciliation to quarterly reporting. Employers now need to file the *Quarterly Contribution Return and Report of Wages* (DE 9) and the *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C) at the end of each quarter.

The *Quarterly Wage and Withholding Report* (DE 6) and the *Annual Reconciliation Statement* (DE 7) should only be used for tax years 2010 and prior. The DE 9 and DE 9C can be filed online through the new expanded e-Services for Business.

These forms are also available at local EDD Employment Tax offices and online at: [www.edd.ca.gov/Payroll\\_Taxes/Forms\\_and\\_Publications.htm](http://www.edd.ca.gov/Payroll_Taxes/Forms_and_Publications.htm).

## Payroll Tax Information Is Available Through Online Courses

As a service to our employer community, EDD offers two online courses to help you understand and comply with payroll tax laws. These Web-based seminars allow you to learn at your own pace, wherever you choose to access the Internet.

The **How to Complete a Payroll Tax Deposit (DE 88 or DE 88ALL)** course was created to assist customers in completing the *Payroll Tax Deposit* (DE 88) coupon. We offer two options: a mini-tutorial and a full course.

The mini-tutorial allows the user to select any section of the DE 88 coupon and receive a brief explanation on how to

properly complete it. It also provides a brief overview of the California payroll tax deposit requirements. This course takes about 15 minutes to complete.

The full course explains the purpose of the DE 88 coupon. It also covers the different deposit schedules and explains how the amount of accumulated California Personal Income Tax (PIT) withheld, in conjunction with an employer's Internal Revenue Service (IRS) deposit schedule, determines their EDD deposit frequency. It provides detailed information on completing each section of the DE 88 coupon and provides examples to reinforce the information taught. The course also provides information about alternate payment methods and additional re-

sources to assist you in completing your DE 88 coupon. This course takes about 50 minutes.

The **Employment Status Course** explains common and statutory law as it is applied by the EDD and the IRS. It also discusses resources to assist employers in properly classifying workers as either employees or independent contractors. This course, available online in both English and Spanish, takes about 90 minutes to complete.

Access the courses at [www.edd.ca.gov/Payroll\\_Tax\\_Seminars/](http://www.edd.ca.gov/Payroll_Tax_Seminars/).

Additional information is also available from our Taxpayer Assistance Center at (888) 745-3886.

### Semi-annual Interest Rate Will Be 3 Percent

For the period from July 1 through December 31, 2011, the semi-annual interest rate will be 3 percent (0.03), compounded daily. The daily interest factor will be 0.000082. Interest is charged on all delinquent taxes, interest, and certain penalties. If you have questions about the semi-annual interest rate for 2011, call the Taxpayer Assistance Center at (888) 745-3886.

## Corrections To 2011 California Employer's Guide

The 4<sup>th</sup> quarter due date and delinquency date for the *Quarterly Contribution Return and Report of Wages* (DE 9) as shown on page 79 of the 2011 *California Employer's Guide* (DE 44) listed incorrect dates of January 1, 2011, and January 31, 2011. The correct dates are January 1, 2012, and January 31, 2012, respectively. Additionally, a correction was made to change the Title 11 reference to Title 22 as found on page 17 under PIT Withhold-

ing for Election Officials or Election Workers. The online version of the DE 44 has been corrected.

Also, page 76 of the 2011 DE 44 regarding timely settlement of electronic payments for Expanded e-Services for Business payments list an incorrect time of 4 p.m., Pacific Time. The correct time is 3 p.m., Pacific Time.

We apologize for any inconvenience this may have caused.

## Penalties Imposed for Untimely Payroll Tax Deposits - Be Aware to Avoid Late Penalties

Employer contributions of UI and ETT are due quarterly. Monies withheld from employees' wages for State Disability Insurance and PIT **may need to be deposited more often**. The deposit frequency is based on each employer's federal deposit schedule/requirement and the amount of accumulated PIT withheld. **NOTE: Failure to meet payroll tax deposit time frames will result in penalties.** If you have any questions regarding deposits, refer to the 2011 DE 44 which is available online at [www.edd.ca.gov/pdf\\_pub\\_ctr/de44.pdf](http://www.edd.ca.gov/pdf_pub_ctr/de44.pdf) or contact the Taxpayer Assistance Center at (888) 745-3886.

### California Deposit Requirements

If Your Federal Deposit Schedule/Requirement is	And You Have Accumulated State PIT Withholding of	If Payday Is	PIT and SDI Deposit Due By	California "Deposit Schedule" box to mark on the DE 88/DE 88 ALL
Next Banking Day	Less than \$350	Any day	Quarterly	Quarterly
	\$350 to \$500	Any day	15 <sup>th</sup> of the following month	Monthly
	More than \$500	Any day	Next Banking Day	Next Banking Day
Semi-weekly	Less than \$350	Any day	Quarterly	Quarterly
	\$350 to \$500	Any day	15 <sup>th</sup> of the following month	Monthly
	More than \$500	Wed., Thurs., or Fri.	Following Wednesday	Semi-weekly
	More than \$500	Sat., Sun., Mon., or Tues.	Following Friday	Semi-weekly
Monthly	Less than \$350	Any day	Quarterly	Quarterly
	\$350 or more	Any day	15 <sup>th</sup> of the following month	Monthly
Quarterly or Annually	Less than \$350	Any day	May 2, 2011 August 1, 2011 October 31, 2011 January 31, 2012	Quarterly
	\$350 or more	Any day	15 <sup>th</sup> of the following month	Monthly

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### Reminder

The 2<sup>nd</sup> quarter *Quarterly Contribution Return and Report of Wages* (DE 9) and the *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C) is due by July 1, 2011, and delinquent if not filed by August 1, 2011.

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